

SENATE BILL 3813

By Tate

AN ACT to amend Tennessee Code Annotated, Title 9,
Chapter 21, relative to pension and other post-
employment obligations

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-21-105, is amended by inserting the following language as a new appropriately designated subdivision:

() "Certain unfunded other post-employment benefits" means non-pension benefits paid on behalf of former employees or the former employees' beneficiaries after separation from service. The benefits may include, but shall not be limited to, medical, prescription drugs, dental, vision, hearing, Medicare part B or part D premiums, life insurance, long-term care, and long-term disability. For purposes of this subdivision, the value of any "certain unfunded other post-employment benefits" shall be limited to the unfunded portion of the present value of benefits less the present value of future normal costs, as determined pursuant to GASB Statement No. 45 and as certified by the actuarial consultant of the local government;

SECTION 2. Tennessee Code Annotated, Title 9, Chapter 21, Part 3, is amended by adding the following as a new appropriately numbered section:

Section 9-21-317. Any local government may issue revenue bonds under part 3 of this chapter for certain unfunded other post-employment benefits if such bonds are approved by the state funding board after receiving a recommendation by the state director of local finance. Such bonds shall be issued in the same manner as bonds for public works projects are issued under this part.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.